



Distillate Watch

March 29, 2000

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Distillate demand held steady while both production and imports decreased resulting in a week-to-week drop in distillate stocks of 2.7 million barrels (MMB) on March 24, 2000. Total distillate stocks were 98.9 MMB, 31.1 MMB less than last year. Low sulfur stocks at 60.9 MMB dropped 1.6 MMB from last week while heating oil stocks decreased 1.1 MMB to 38.0 MMB. Distillate production decreased to 3.4 million barrels per day (MMBD). Imports at 0.1 MMBD decreased by 201 thousand barrels per day. Demand stayed at 3.8 million barrels per day.
- This week U.S. crude oil input increased to 14.7 MMBD with refiners utilizing 92.2 percent of 16.1 MMBD in operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	03/03/00	03/10/00	03/17/00	03/24/00	03/26/99	03/03/00	03/10/00	03/17/00	03/24/00	03/26/99
East Coast (PADD I)	500	461	461	478	441	238	226	210	215	201
Midwest (PADD II)	870	846	820	827	694	674	636	594	602	484
Gulf Coast (PADD III)	1,704	1,656	1,660	1,574	1,442	1,200	1,159	1,187	1,110	1,034
Rocky Mountain (PADD IV)	120	140	132	145	138	107	110	102	120	110
West Coast (PADD V)	383	391	405	425	434	272	325	334	330	370
U.S. Total	3,577	3,494	3,478	3,449	3,149	2,491	2,456	2,427	2,377	2,199

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	03/03/00	03/10/00	03/17/00	03/24/00	03/24/99	03/03/00	03/10/00	03/17/00	03/24/00	03/24/99
East Coast (PADD I)	32.3	33.2	30.9	30.1	52.2	12.1	13.3	12.4	12.1	17.4
PADD IX	5.7	5.7	5.2	4.4	NA	1.6	1.4	1.5	1.3	NA
PADD IY	17.3	18.0	16.2	16.4	NA	5.9	6.5	5.9	5.2	NA
PADD IZ	9.3	9.4	9.4	9.3	NA	4.6	5.3	5.1	5.5	NA
Midwest (PADD II)	28.0	29.0	28.1	28.7	31.8	19.5	20.1	19.1	19.8	22.6
Gulf Coast (PADD III)	27.4	25.7	27.3	25.9	30.9	19.3	17.6	18.8	17.6	18.7
Rocky Mountain (PADD IV)	3.4	3.4	3.1	3.1	3.0	3.0	3.0	2.6	2.8	2.6
West Coast (PADD V)	11.5	11.3	12.2	11.2	12.0	9.2	8.9	9.6	8.7	9.0
U.S. Total	102.7	102.7	101.6	98.9	130.0	63.1	62.9	62.5	60.9	70.3

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.

Source: Energy Information Administration, Weekly Petroleum Status Report (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- Stock builds reported for the week ending March 17, expiration of the April crude oil futures contract, and the prospect that OPEC would raise quotas at the March 27 OPEC Ministerial meeting helped lower petroleum spot prices until concern developed about the size of the increase in supplies. OPEC adjourned the 27th agreeing to meet the following day to continue discussions on production cuts. The New York Harbor spot price for low sulfur diesel was up almost seven cents to 76.07 cents per gallon by March 27, 2000.
- The U.S. average on-highway diesel fuel price fell for the second consecutive week reaching 145.1 cents per gallon on March 27, 2000. Lower spot product prices were behind this week's 2.8-cent drop. With this decline, the wedge between current and last year's average narrowed to 40.5 cents. The average residential heating oil price was down as of March 20, 2000, the final collection period for this heating season. The overall residential price dropped from 138.2 to 135.3 cents per gallon, a 2.9-cent decrease for the week. Compared to prices from the start of the current season (October 4, 1999), residential increased 35.5 cents from its initial mark of 99.8 cents per gallon.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	03/06/00	03/13/00	03/20/00	03/27/00	03/29/99	03/06/00	03/13/00	03/20/00	03/27/00	03/29/99
New York	83.07	79.75	69.33	76.07	44.75	86.70	79.25	68.96	73.70	43.30
Chicago	88.58	83.38	75.71	85.70	45.95	NA	NA	NA	NA	NA
Houston	84.50	76.33	67.50	71.45	42.69	80.32	74.25	65.21	69.90	40.69
Los Angeles (CARB)	96.00	102.00	96.00	95.50	70.00	NA	NA	NA	NA	NA

Source: Reuters Information Services.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	03/06/00	03/13/00	03/20/00	03/27/00	03/29/99	02/28/00	03/06/00	03/13/00	03/20/00	03/15/99
East Coast (PADD I)	151.0	150.7	148.5	144.9	102.5	142.4	141.7	140.4	137.2	87.0
PADD IX	160.9	158.9	154.9	150.5	107.8	136.8	136.8	135.2	131.9	80.5
PADD IY	160.1	159.3	157.4	152.5	110.7	147.2	146.2	145.0	141.8	92.2
PADD IZ	146.2	146.3	144.1	141.1	98.6	136.1	134.6	134.4	131.8	84.6
Midwest (PADD II)	148.4	148.2	146.0	142.6	102.0	119.0	120.5	120.3	119.0	76.0
Gulf Coast (PADD III)	143.4	144.6	142.1	140.1	100.8	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	146.5	149.4	150.7	150.9	108.2	NA	NA	NA	NA	NA
West Coast (PADD V)	156.5	160.0	160.9	159.7	123.0	NA	NA	NA	NA	NA
California	159.7	163.7	164.9	163.2	138.5	NA	NA	NA	NA	NA
U.S. Average**	149.0	149.6	147.9	145.1	104.6	139.9	139.4	138.2	135.3	85.8

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-8149.688, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.